

# **EXHIBIT 5**

## **APPRAISAL OF REAL PROPERTY**



### **LOCATED AT**

1223 N June St  
Los Angeles, CA 90038  
See attached property detail

### **FOR**

Fundamentalrate  
800 Airport Blvd  
Burlingame, CA 94010

### **AS OF**

03/27/2019

### **BY**

Mike Bonasoro  
Elite Appraisal Group  
PO Box 3432  
Newport Beach, CA 92659  
714-323-2550  
mike@elite-appraisals.biz

## Uniform Residential Appraisal Report

File # FR1223

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 1223 N June St City Los Angeles State CA Zip Code 90038  
 Borrower DeBlanco Owner of Public Record DeBlanco County Los Angeles

Legal Description See attached property detail  
 Assessor's Parcel # 5532-002-006 Tax Year 2018 R.E. Taxes \$ 11,796  
 Neighborhood Name Hollywood Map Reference NA Census Tract 1919.01

Occupant ☐ Owner ☒ Tenant ☐ Vacant Special Assessments \$ 0 ☐ PUD HOA \$ 0 ☐ per year ☐ per month  
 Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)  
 Assignment Type ☐ Purchase Transaction ☒ Refinance Transaction ☐ Other (describe)  
 Lender/Client Fundamentalarate Address 800 Airport Blvd, Burlingame, CA 94010  
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No  
 Report data source(s) used, offering price(s), and date(s) RealQuest/MLS

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ Date of Contract Is the property seller the owner of public record? ☐ Yes ☐ No Data Source(s)  
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No  
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Location ☐ Urban ☒ Suburban ☐ Rural Property Values ☐ Increasing ☒ Stable ☐ Declining PRICE AGE One-Unit 80 %  
 Built-Up ☒ Over 75% ☐ 25-75% ☐ Under 25% Demand/Supply ☐ Shortage ☒ In Balance ☐ Over Supply \$ (000) (yrs) 2-4 Unit 5 %  
 Growth ☐ Rapid ☒ Stable ☐ Slow Marketing Time ☒ Under 3 mths ☐ 3-6 mths ☐ Over 6 mths 900 Low 0 Multi-Family 5 %  
 Neighborhood Boundaries Sunset Blvd to the north, Melrose Ave to the south, N La Brea Ave to the west 1,600 High 120 Commercial 10 %  
 and Vine St to the east. 1,200 Pred. 80 Other 0 %

Neighborhood Description The subject is located in the Hollywood area of Los Angeles. The neighborhood is a residential area, composed of single family homes showing similar age and quality with some multi family and commercial properties in surrounding area. The neighborhood appears to have reasonable access to schools, places of worship, employment, shopping, public transportation, freeway access and supporting services. Los Angeles Unified School District.  
 Market Conditions (including support for the above conclusions) Market conditions appear average, with marketing time being less than 3 months, if property listed. Conventional/FHA/VA financing is all evident in this area. Values have been in a stable state over the past 12 months, therefore the market area has been marked stable.

Dimensions See Attached Plat Map Area 5120 sf Shape Rectangular View N;Res;  
 Specific Zoning Classification RD1.5-1XL Zoning Description Low Medium II Residential  
 Zoning Compliance ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)  
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe The subject's highest and best use is it's current use which is conforming to current zoning.

Utilities Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private  
 Electricity ☒ ☐ Water ☒ ☐ Street Asphalt ☒ ☐  
 Gas ☒ ☐ Sanitary Sewer ☒ ☐ Alley None ☐ ☐  
 FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 06037C1805F FEMA Map Date 09/26/2008  
 Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe  
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe  
 None noted. The appraiser has no special expertise regarding environmental hazards and this report must not be considered as an environmental assessment of the property. I have not checked the records for recorded easements, and have reported only apparent easements, encroachments, and other apparent adverse conditions.

Units ☒ One ☐ One with Accessory Unit ☐ Concrete Slab ☒ Crawl Space Foundation Walls Concrete/Good Floors Wd/Laminate/Good  
 # of Stories 1 ☐ Full Basement ☐ Partial Basement Exterior Walls Stucco/Siding/Good Walls Drywall/Good  
 Type ☒ Det. ☐ Att. ☐ S-Det./End Unit Basement Area 0 sq.ft. Roof Surface Composition/Good Trim/Finish Painted/Good  
☒ Existing ☐ Proposed ☐ Under Const. Basement Finish 0 % Gutters & Downspouts None Bath Floor Tile/Good  
 Design (Style) Traditional ☐ Outside Entry/Exit ☐ Sump Pump Window Type Vinyl/Good Bath Wainscot Tile/Good  
 Year Built 1915 Evidence of ☐ Infestation ☐ None noted Storm Sash/Insulated Insulated/Good Car Storage ☐ None  
 Effective Age (Yrs) 20 ☐ Dampness ☐ Settlement Screens Nylon/Good ☒ Driveway # of Cars 2  
 A/C ☐ None Heating ☒ FWA ☐ HWBB ☐ Radiant Amenities ☐ Woodstove(s) # 0 Driveway Surface Concrete  
☐ Drop Stair ☐ Stairs ☐ Other Fuel Gas ☐ Fireplace(s) # 0 ☒ Fence Wood ☒ Garage # of Cars 2  
☐ Floor ☒ Scuttle Cooling ☒ Central Air Conditioning ☒ Patio/Deck Conc. ☒ Porch Covered ☐ Carport # of Cars 0  
☐ Finished ☐ Heated ☐ Individual ☐ Other ☐ Pool None ☐ Other None ☐ Att. ☒ Det. ☐ Built-in

Appliances ☐ Refrigerator ☐ Range/Oven ☐ Dishwasher ☐ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)  
 Finished area above grade contains: 5 Rooms 2 Bedrooms 2.0 Bath(s) 1,160 Square Feet of Gross Living Area Above Grade  
 Additional features (special energy efficient items, etc.) The subject is insulated. The home has smoke detectors.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.) C3; No updates in the prior 15 years; The subject is in good overall condition. See photo addendum. The kitchen is awaiting installation of new counter tops and appliances. Estimated cost to install counter is \$2,000 per owner. All materials have been ordered per owner.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe  
 There were no apparent physical deficiencies or adverse conditions observed that would adversely affect the livability, soundness, or structural integrity of the subject property.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe  
 The subject property appears compatible and conforming to the subject neighborhood.

## Uniform Residential Appraisal Report

File # FR1223

There are 3 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 1,149,000 to \$ 1,479,000	
There are 10 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 1,175,000 to \$ 1,540,000	
FEATURE	SUBJECT
Address	1223 N June St Los Angeles, CA 90038
Proximity to Subject	0.45 miles S
Sale Price	\$ 1,245,000
Sale Price/Gross Liv. Area	\$ 994.27 sq.ft.
Data Source(s)	MLS#19428296;DOM 1
Verification Source(s)	RealQuest#225817
VALUE ADJUSTMENTS	DESCRIPTION +(-) \$ Adjustment
Sales or Financing	ArmLth
Concessions	Conv;0
Date of Sale/Time	s03/19;c01/19
Location	N;Res;
Leasehold/Fee Simple	Fee Simple
Site	5120 sf
View	N;Res;
Design (Style)	DT1;Traditional
Quality of Construction	Q4
Actual Age	104
Condition	C3
Above Grade	Total Bdrms. Baths
Room Count	5 2 2.0
Gross Living Area	1,160 sq.ft.
Basement & Finished Rooms Below Grade	0sf
Functional Utility	Average
Heating/Cooling	FAU/CAC
Energy Efficient Items	Typical
Garage/Carport	2gd2dw
Porch/Patio/Deck	Porch/Patio
Net Adjustment (Total)	\$ 9,000
Adjusted Sale Price of Comparables	\$ 1,254,000
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
The sales history of the subject property and of the comparables was reviewed.	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
Data Source(s) RealQuest/MLS	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.	
Data Source(s) RealQuest/MLS	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).	
ITEM	SUBJECT
Date of Prior Sale/Transfer	
Price of Prior Sale/Transfer	
Data Source(s)	RealQuest/MLS
Effective Date of Data Source(s)	03/27/2019
Analysis of prior sale or transfer history of the subject property and comparable sales	
There have been no previous transfers or listings on the subject property in the past 36 months. There have been no previous transfers on the comparables in the past 12 months.	
Summary of Sales Comparison Approach See attached addenda.	
Indicated Value by Sales Comparison Approach \$ 1,235,000	
Indicated Value by: Sales Comparison Approach \$ 1,235,000 Cost Approach (if developed) \$ 1,235,897 Income Approach (if developed) \$ 0	
The sales comparison approach is the best indication of value in the present market, given the intended use, property characteristics, and type of value sought. The cost approach is supportive to value. The income approach to value was neither applicable nor necessary to produce credible result in this assignment and was not performed.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair. There were no conditions noted.	
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 1,235,000, as of 03/27/2019, which is the date of inspection and the effective date of this appraisal.	

## Uniform Residential Appraisal Report

File # FR1223

1) **SUBJECT NEIGHBORHOOD:** The subject is located in the Hollywood area of Los Angeles. The neighborhood is a residential area, composed of single family homes showing similar age and quality with some multi family and commercial properties in surrounding area. The neighborhood appears to have reasonable access to schools, places of worship, employment, shopping, public transportation, freeway access and supporting services. Los Angeles Unified School District.

2) **SUBJECT SITE:** The subject site appears typical and conforming in size and topography, landscaping, and maintenance, to the surrounding properties in the neighborhood. The subject site is level and is typical in size, landscaped front and rear, and is accessed from a publicly maintained road. The site is zoned single family use, considered legal and conforming.

3) **SUBJECT CONDITION OF IMPROVEMENTS:** The extent of upgrading done to the subject property will directly have an effect on the effective age.

4) **HYPOTHETICAL CONDITION:** None noted.

5) **EXTRAORDINARY ASSUMPTION:** The appraiser reserves the right to amend this report, including, but not limited to the final value estimate of value and condition ratings, should any extraordinary assumptions information and data provided within this report or by third party sources prove to be inaccurate at a later date. The appraiser also reserves the right to amend this report in its entirety should any of the recommended inspections results in conditions that are contrary to the assumptions or statements made within this report.

6) **SALES COMPARISON APPROACH:** The Sales Comparison approach is the main supporter of value. It is primarily based on sales of similar type properties in the subjects area, this is known as the Principle Of Substitution. Adjustments are made for the differences in the comparables, compared to the subject property and are based upon paired sales analysis. This determines what the market would return in value, of that particular difference, or possible amenity, to the subject property. This is known as the Principle Of Contribution. The weight was given to the most comparable sale or sales, as noted in the report.

7) **COST APPROACH:** The Cost Approach is based upon the present cost to replace the building another building having the same utility. Physical depreciation, functional and external obsolescence will be considered in the valuation process. The effective age of the property will be considered in correlation with the years of remaining economic life. The Cost Approach should be considered supportive to the Market Approach.

8) **INCOME APPROACH:** The income approach to value was neither applicable nor necessary to produce credible result in this assignment and was not performed.

9) **FINAL RECONCILIATION:** After reviewing and analyzing all three approaches, The Market Approach, Cost Approach, and The Income Approach, The Sales Comparison Approach was determined to be the strongest supporter of value. The cost approach to value was neither applicable nor necessary to produce credible results in this assignment and was not performed. The Income Approach was considered to be not applicable for this type of property, due to the predominant owner occupancy, and lack of rental data.

As of the date of this report, I the signing Licensed Real Estate Appraiser, has completed the minimum requirements of continuing education, and in accordance with the Competency Provision of USPAP, certify that my knowledge and experience are sufficient to allow me to complete this appraisal assignment.

Digital Signature: This report has been digitally signed by the licensed appraiser. If there is any unauthorized use of this report, or my signature, this report will no longer be valid.

According to USPAP, any appraiser who has completed a prior service within the previous three years to the subject property, must disclose the type and extent of such service. I have NOT provided a previous service and/or performed an appraisal on the subject property within the past three years.

The appraiser assumes that all information provided within this report is correct. The appraiser reserves the right to amend this report, including but not limited to the final value estimate and condition ratings, should any extraordinary assumptions, hypothetical conditions, assumptions, and/or data prove to be inaccurate at a later date.

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) Most land available for development in this area is already developed. Therefore, the abstraction method was used for estimating land value, as actual land sales are very few or not available at all. This is considered typical for this type of property and market area.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW		OPINION OF SITE VALUE	
Source of cost data	Marshall Swift	DWELLING	1,160 Sq.Ft. @ \$ 250.00 = \$ 290,000
Quality rating from cost service	Good Effective date of cost data 2019		0 Sq.Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			= \$
1) Gross living area calculations were based on physical measurements.		Garage/Carport	252 Sq.Ft. @ \$ 50.00 = \$ 12,600
2) The economic life is estimated at 75 years. The remaining economic life is based on the effective age of the subject property.		Total Estimate of Cost-New	= \$ 302,600
3) Functional Obsolescence: None noted		Less Physical Functional External	
4) External Obsolescence: None noted		Depreciation	80,703 = \$( 80,703)
		Depreciated Cost of Improvements	= \$ 221,897
		*As-is* Value of Site Improvements	= \$ 10,000
Estimated Remaining Economic Life (HUD and VA only)	55 Years	INDICATED VALUE BY COST APPROACH	= \$ 1,235,897

INCOME		INDICATED VALUE BY INCOME APPROACH	
Estimated Monthly Market Rent \$	X Gross Rent Multiplier	= \$	
Summary of Income Approach (including support for market rent and GRM)			

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases Total number of units Total number of units sold

Total number of units rented Total number of units for sale Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.